

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 5296  
**COMPANY NAME** : Mr D.I.Y. Group (M) Berhad  
**FINANCIAL YEAR** : December 31, 2023

### **OUTLINE:**

#### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

#### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board of Directors ("Board") is accountable and responsible for the overall management and business affairs of Mr D.I.Y. Group (M) Berhad and its subsidiaries ("Group"), including to ensure that an appropriate corporate governance structure is in place and practiced to protect the interests of the Group and to create, protect and enhance shareholders' and other stakeholders' value, to ensure long-term sustainability of the business.</p> <p>To assist the Board in fulfilling its duties and responsibilities, the Board delegates some of its functions to the following Board Committees which operate within their respective defined Terms of Reference as embedded in the Board Charter, which is accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p> <ul style="list-style-type: none"><li>i) Audit and Risk Management Committee ("ARMC");</li><li>ii) Nomination and Remuneration Committee ("NRC"); and</li><li>iii) Board Sustainability Committee ("BSC"), which was renamed from Corporate Responsibility Committee ("CRC") effective 15 May 2023.</li></ul> <p>The Board assumes the following principal responsibilities:-</p> <ul style="list-style-type: none"><li>a) <u>Promote Good Corporate Governance</u> The Board has put in place a Whistleblowing Policy, Anti-Bribery and Corruption Policy, Conflict of Interest Policy, Gifts and Entertainment Policy, Code of Business Ethics, Code of Conduct, Vendor Code of Conduct, Social Media Guidelines and other applicable policies to set the corporate values and promote a culture of good corporate governance within the Group, which reinforces ethical, prudent and professional</li></ul>

behaviour and ensures that its obligations to shareholders and other stakeholders are met as guided by the Malaysian Code on Corporate Governance (“MCCG”), Corporate Governance Guide (“CG Guide”) by Bursa Malaysia Berhad, Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), Companies Act 2016 (“Act”) and any other applicable laws, regulations and guidelines by any relevant authorities.

b) Review Material Proposals

The Board is responsible for reviewing and monitoring the implementation of material proposals to ensure that the Group adheres to the rules and regulations of upholding good corporate governance practices. Any material proposal which triggers the prescribed threshold of 5% or more of the net asset of the Group is tabled to the Board for review, deliberation and approval. The Board delegates its authority to the Executive Directors (“EDs”) to exercise their discretion when reviewing and approving non-material proposals that fall below the 5% threshold in good faith and in the best interests of the Group.

c) Oversee the Strategic Business Plan & Budget

The Board is collectively responsible for determining and leading the strategic direction of the Group.

A Board Strategy Meeting involving the Board and certain key management staff was held on 10 January 2023 to update the Board on the progress of the 3-year strategic business plan (2022 to 2024) and budget for the Group to align with its vision to support long-term value creation and promote sustainability, taking into consideration economic, environmental, social and governance considerations including climate related risks and opportunities;

At quarterly Board meetings, the Board reviews the strategic, operational and financial performance of the Company to ensure that the Group’s strategic objectives are on track and aligned with the approved strategic business plan and budget.

d) Conduct of Business Operations

The EDs are responsible and accountable for managing the day-to-day business and operations of the Group, and to implement the strategies, objectives, and decisions of the Board within the framework of delegated authority, values and policies of the Group.

Monthly Management meetings involving the EDs, Heads of Department (“HODs”) of business operations, Finance and Human Resource are held to review and track the monthly business and financial performance of the Group against the approved strategic business plan and budget, and to deliberate any pertinent operational and human capital management issues.

The Board is responsible for overseeing the conduct of the Group’s business and operations to ensure that the businesses are being managed properly. The EDs are tasked with informing or reporting any significant issues to the Board for information and further guidance.

e) Oversee Risk Management and Internal Control Systems

The Group adopted an Enterprise Risk Management (“ERM”) Framework developed by the appointed Independent Risk Management Consultant (“Consultant”) to structure the process used to identify potential risks and to implement relevant internal control systems to eliminate or minimise the impact of potential financial and non-financial risks, as well as the mechanism to effectively monitor and evaluate these risks.

The HODs have undergone a rigorous process of risk identification and profiling with the Consultant to identify principal risks based on a risk likelihood of occurrence parameter and the impact of the risks. The HODs are also responsible for monitoring and implementing mitigation action plans to manage and/or mitigate these potential risks.

The Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) are tasked to ensure there are appropriate measures in place to identify, analyse, evaluate, manage and monitor significant financial risks, based on the risk appetite and risk tolerance as set by the Board.

Periodic reviews of the departmental risk profiles are conducted on a half-yearly basis to establish that all risks remain relevant and applicable to the Company’s business model and effectiveness of the mitigation plans.

In performing the validation exercise, HODs are entrusted to review and update their respective risk profiles to ensure the risk profiles are up to date and reflect the most recent adjustment (if any) to any parts of the business prior to submission to the Consultant for verification and assessment.

The Consultant then presents a half-yearly risk profile dashboard and a recommendation on the areas for improvement to the ARMC and to the Board for endorsement, with the aim of widening the risk management practice of the Group.

The Internal Audit Department (“IAD”) conducts audits from time to time to ensure implementation and effectiveness of the relevant mitigation action plans to manage and mitigate potential risks.

f) Board Evaluation

The NRC is entrusted to assist the Board in conducting a formal and objective annual evaluation of the effectiveness of the Board, Board Committees, Individual Directors and Independent Directors, to ensure that the Board and Board Committees have an effective and balanced composition with a diverse mix of skills, knowledge, qualifications, experience, age, cultural backgrounds, genders, independence, and fit and proper elements to discharge their responsibilities effectively.

The process and mechanism of the annual Board Effectiveness Evaluation (“BEE”) in respect of the financial year ended 31 December 2023 can be found within the NRC Report on pages 60 to 61 of the Annual Report 2023.

g) Effective Communications

The Board values continuous dialogue and stands guided by the MMLR of Bursa Securities in adhering to corporate disclosure requirements to ensure effective communication with the stakeholders. All material information is disseminated in a timely manner to our shareholders and stakeholders via announcements made to Bursa Link by Bursa Securities, uploaded on our corporate website and via investors’ briefings, where necessary. Our Human Resources Management Department has leveraged on our Intranet as a centralised repository of knowledge, news, documents, and updates to be accessed internally by employees.

h) Financial Reporting

The financial statements of the Group for each financial year are prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”) and the Act to ensure they represent a true and fair view of the financial position of the Group.

	<p>The Finance Department is entrusted to keep such accounting and other records of the Group within levels of material accuracy to ensure that the financial statements comply with the provisions stipulated in MFRS, IFRS and the Act.</p> <p>The quarterly financial results are prepared by the Finance Department to ensure accuracy, completeness and compliance for tabling to the ARMC for deliberation and if thought fit, recommend to the Board for approval prior to dissemination via Bursa Link by Bursa Securities and upload on our corporate website.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Dato' Azlam Shah bin Alias, an Independent Non-Executive Director ("INED"), is the Chairman of the Board. He plays a vital role in providing overall leadership, instilling good corporate governance practices, and overseeing the orderly conduct and effectiveness of the Board by ensuring a cohesive working relationship between members of the Board.</p> <p>The key responsibilities of the Chairman of the Board are defined in the Board Charter (accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>) as follows:-</p> <ul style="list-style-type: none"><li>i) Providing leadership to the Board and overseeing the Board in the effective discharge of its fiduciary duties;</li><li>ii) Setting the agenda for Board meetings and ensuring efficient and effective conduct of the Board meetings;</li><li>iii) Ensuring that complete and accurate information is provided to Board members in a timely manner to facilitate decision-making;</li><li>iv) Leading Board meetings, encouraging active participation and allowing dissenting views to be freely expressed;</li><li>v) Promoting constructive and respectful relations between Board members, and managing the interface between the Board and Management;</li><li>vi) Ensuring that appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and</li><li>vii) Leading the Board in establishing and monitoring good corporate governance in the Company.</li></ul>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b> :		
<b>Timeframe</b> :		



### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The roles of the Chairman and the CEO are distinct and separate, and are held by different individuals, to ensure there is a balance of power and authority, such that no one individual has unfettered powers during Board discussions and decision making.</p> <p>The Chairman is responsible for leading the Board in its collective oversight of Management. The Chairman has been playing an active role in supervising the Board's effectiveness while focusing on strategy, governance, sustainability and compliance.</p> <p>The CEO serves as a conduit between the Board and Management and is responsible for spearheading the business through effective implementation of the Group's strategic plan and policies for the purpose of running the business and the day-to-day management of the Group, within the authority as delegated by the Board.</p> <p>The primary roles of the CEO are strategy development, implementation, monitoring and tracking; business development; compliance with regulations; performance management; human resources management; risk management; and stakeholder management.</p> <p>Ong Chu Jin Adrian ("Adrian Ong") is our Non-Independent Executive Director ("NIED") and CEO. He is primarily responsible for the day-to-day operations of the Group, with specific responsibilities in corporate management and affairs, as well as financial oversight.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Chairman of the Board, Dato' Azlam Shah bin Alias, is not a member of the ARMC or NRC, and does not participate in these committees' meetings to avoid the risk of self-review, which may impair the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the ARMC or NRC, and to ensure check and balance function as well as objective review by the Board.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported and assisted by the Corporate Secretarial Department led by the Company Secretary, Wong Mun Sin, who is a Chartered Secretary of The Institute of Chartered Secretaries and Administrators (ICSA), United Kingdom, an Associate Member of the Chartered Secretary, and a Chartered Governance Professional of both the Chartered Governance Institute of London and the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). She is also qualified to act as a Company Secretary under Section 241 of the Act.</p> <p>The Company Secretary plays an advisory role to the Board and supports the Board on governance matters as well as Board policy and procedures. She ensures adherence to relevant statutory and regulatory requirements, and advocates adoption of corporate governance best practices.</p> <p>The Company Secretary monitors and updates the Board on corporate governance development and ensures corporate governance practices are applied.</p> <p>The Company Secretary manages the processes and attends Board, Board Committees' and shareholders' meetings to ensure that these meetings are properly conducted according to applicable rules and regulations, and ensures that deliberations and decisions made in these meetings are properly documented and subsequently communicated to the relevant management team for their further action. The Company Secretary also ensures proper upkeep of statutory registers and records of the Group.</p> <p>The Company Secretary also arranges and facilitates induction training for new Directors as well as continuous training and development for Directors. The Directors have on-going access to continuous education programmes as they are kept informed of the relevant training programmes by the Company Secretary.</p>

	The Company Secretary constantly keeps herself abreast of evolving regulatory changes and developments in corporate governance by attending relevant continuous professional development programmes, seminars, workshops and conferences organised by MAICSA, Bursa Securities, Securities Commission, Companies Commission of Malaysia and other relevant training organisations.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Board and Board Committees meetings for the whole year are scheduled in advance, with the agenda of the meetings planned and set ahead before the commencement of each new financial year.</p> <p>The agenda is communicated to Management to facilitate preparation of required board papers/meeting materials.</p> <p>Notices and agendas of these Board and Board Committees meetings are issued to the Directors at least ten (10) days prior to the meetings via electronic mail or by any electronic means of telecommunication in permanent written form.</p> <p>Board papers/meeting materials are distributed to the Directors at least five (5) working days prior to the Board and Board Committees meetings. The meeting materials are accessible online through a paperless boardroom solution which allows Directors to securely access and refer to meeting materials electronically anytime and anywhere at their convenience. Meeting materials are reviewed and endorsed by the CEO prior to circulation to Directors to ensure they contain comprehensive and accurate information required for Directors to make informed decisions in the best interests of the Company.</p> <p>The Board has direct access to key management staff and unrestricted access to all information pertaining to the Group in a timely manner to facilitate them discharging their duties effectively. The Board is also entitled to obtain independent professional advice at a cost to the Company to assist them in carrying out their duties.</p> <p>Draft minutes of meetings are produced and circulated to all members of the Board after the meetings in a timely manner. The minutes capture the meeting proceedings, the tabling of pertinent issues, the substance of deliberations, inquiry and response, as well as any significant concerns, relevant suggestions and</p>

	<p>decisions made, including abstention by any interested Director from deliberating and voting on a specific matter, as well as the rationale behind those decisions.</p> <p>The Company Secretary extracts the relevant deliberations and decisions from the minutes of meetings and communicates the same to the respective Management representative for appropriate action to be taken. Subsequently, the Company Secretary follows up with Management on the status of actions taken for updating the Board at the next Board/Board Committees meeting. The action items stay as matters arising in the minutes of meeting until resolved.</p> <p>The final minutes of meetings are tabled for confirmation at subsequent Board/Board Committees meetings. The minutes of Board Committees meetings are tabled for the Board's notation at quarterly Board meetings so as to keep the Board abreast of the deliberations and decisions made by Board Committees.</p> <p>Decisions of the Board may also be sought by way of Directors' Written Resolution(s) for matters which are administrative in nature, where appropriate, and the same be tabled to the Board at the quarterly Board meeting for notation.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board adopts the Board Charter which sets out the purpose, processes, authority, roles, responsibilities, and composition of the Board and Board Committees, with the aim of enhancing corporate governance practices, improving accountability, transparency, sustainability, and enhancing business integrity.</p> <p>The Board Charter also sets out the roles and responsibilities of the Chairman, EDs, Independent Directors, including the Senior Independent Director.</p> <p>The Board Charter was established pursuant to the provisions of the Act, the Constitution of the Company, MMLR of Bursa Securities, MCCG, and other applicable laws or regulatory requirements.</p> <p>The Terms of Reference of the Board Committees are embedded in the Board Charter, which clearly sets out the fundamental responsibilities and delegation of authority by the Board to the Board Committees.</p> <p>The matters reserved for collective decision of the Board and which may be varied from time to time as determined by the Board are clearly defined in the Board Charter.</p> <p>The Board reviews the Board Charter from time to time and makes amendments thereto where necessary, to ensure that the Board Charter remains relevant and in line with the Board's objectives, current laws and practices. The Board Charter was reviewed and last updated on 9 August 2023.</p> <p>The Board Charter is accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		



### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Group adopted the following policies to promote good business conduct and maintain a healthy corporate culture that engenders integrity, transparency and fairness among the Board, Management, employees and other stakeholders:-</p> <p>i) <u>Whistleblowing Policy ("WB Policy")</u> The WB Policy aims to facilitate employees, third parties and members of the public disclosing any misconduct through a proper channel.</p> <p>ii) <u>Anti-Bribery and Corruption Policy ("ABC Policy")</u> The Company is committed to conducting all business dealings with the highest standards of ethics and integrity, avoiding the practice of bribery and corruption in all forms in its daily operations.</p> <p>The ABC Policy was established following the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009, which provides an overview of the Group's position regarding bribery and corruption. It also elaborates and provides guidance to employees, business associates and third parties on how to address improper solicitation, bribery, as well as other corrupt activities and issues that may arise in the course of business.</p> <p>iii) <u>Conflict of Interest Policy ("COI")</u> The COI was established to protect employees, shareholders and other stakeholders against any possible conflict of interest through a declaration procedure. The policy aims to manage actual, potential and perceived conflict of interest, and clearly</p>

states the principles with which the Group approaches such situations.

iv) Gifts and Entertainment Policy

The Group has adopted a “No Gift Policy” and subject to only certain narrow exceptions, employees are strictly prohibited from receiving, providing or offering to provide entertainment and gifts with a view to improperly cause undue influence on any party in exchange for some future benefit or result.

v) Code of Business Ethics (“COBE”)

The COBE defines the Group’s standards and expectations to the highest ethical standards and laws in day-to-day business operations, and serves as a guide of appropriate conduct to be adhered by the employees of the Group.

vi) Code of Conduct (“COC”)

The COC serves as a check and balance system to ensure appropriate norms and guidelines are followed to enable the employees work effectively and with minimum conflict and misunderstanding.

vii) Vendor Code of Conduct (“VCC”)

The VCC establishes a set of obligations and standards on business and ethical practices, as well as professional conduct expected of all Vendors engaging or working with the Group.

viii) Social Media Guidelines (“SMG”)

SMG sets the principles to be followed in managing our said media content and promoting our social media channels, namely responsibility, relevance, respect, data privacy, transparency and monitoring.

The above policies are published on the corporate website at [www.mrdiy.com](http://www.mrdiy.com).

Our Legal Department conducts awareness sessions on the abovementioned policies for all the employees on an annual basis. Awareness session on these policies is also included in the induction programme for all new recruits.

The Legal Department is also responsible for updating the Board on the following:-

- a) Progress on the implementation of action plans for ABC on a half-yearly basis;

	b) Risk assessment of ABC conducted internally on an annual basis and by external consultant every three (3) years; c) Staff training attendance with respect to the ABC policy on an annual basis; and d) Whistleblowing cases on a half-yearly basis.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board adopted a WB Policy as a commitment to the highest forms of integrity and accountability in the course of its business.</p> <p>The Board aspires to create a culture of openness and responsibility when conducting its business. In line with this view, the Board undertakes to provide an avenue for all employees, third parties and members of the public (“Whistleblowers”) to disclose any real or suspected corrupt incidents or misconduct involving the Group.</p> <p>The WB Policy aims to facilitate and support all Whistleblowers when disclosing any misconduct through a proper channel. Misconducts include, but are not limited to the following:-</p> <ul style="list-style-type: none"><li>a) Fraud (embezzlement, forgery, theft and misappropriation, etc);</li><li>b) Bribery and corruption;</li><li>c) Money laundering;</li><li>d) Criminal breach of trust, abuse of power and position;</li><li>e) Improprieties and irregularities in accounting and financial reporting;</li><li>f) Unauthorised disclosure or use of confidential information of the Group.;</li><li>g) Sexual harassment;</li><li>h) Conflict of interest;</li><li>i) Other unethical conduct (for example, miscarriage of justice, deliberate concealment of any malpractices);</li><li>j) Non-compliance with laws, regulations, requirements of statutory bodies or public policies; and</li><li>k) Non-compliance with the Group’s policies and procedures, or breach of internal control.</li></ul> <p>A Whistleblower may lodge his/her complaint/allegation on bribery or corruption or any misconduct by writing to the Whistleblowing Unit or by filling up the Whistleblowing Form and emailing it to the Whistleblowing Unit at <a href="mailto:my.whistleblower@mrdiy.com">my.whistleblower@mrdiy.com</a>.</p>

	<p>Upon receiving the written complaint/allegation, the Whistleblowing Unit will look into the nature of complaint and set up an investigation team for further action and investigation. The investigation process is managed with the highest standard of integrity, accuracy and fairness. A proper investigation will determine the validity of the report received.</p> <p>If any of the Whistleblowing Unit members is the subject of the complaint or suspected to be involved in corrupt activities or misconduct, he/she will automatically disqualified from handling the task.</p> <p>If the complaint involves a Director of the Company, the report shall be forwarded by the Whistleblowing Unit to the Chairman of the Company, who shall refer the matter to the Board which will then authorise another Director to be responsible for the investigation and make recommendations to the Board. The Board shall have the authority to make the final decision regarding the complaint.</p> <p>If the complaint involves the Chairman of the Board, the report shall be forwarded by the Whistleblowing Unit to the Chairman of ARMC who shall refer the matter to the Board. The Board shall then authorise a Director to be responsible for the investigation and make a recommendation to the Board. The Board shall have the authority to make the final decision regarding the complaint.</p> <p>The Whistleblowing Unit consists of the following members:-</p> <ol style="list-style-type: none"> <li>a) Independent Director;</li> <li>b) Vice President, Human Resources Management Department;</li> <li>c) Head, Internal Audit Department; and</li> <li>d) Head/Senior Manager, Legal Department.</li> </ol> <p>The WB Policy is published on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As the highest governing body, the Board holds ultimate accountability for embedding sustainability considerations into the decision-making and strategic planning processes. The specific roles and responsibilities of the Board are outlined in our Board Charter, which include the review and oversight of the implementation of the strategic business plan of the Group to ensure that it supports long-term value creation and promotes sustainability.</p> <p>Supporting the Board and its committees is the Management Team ("MT"), led by the CEO. The MT is responsible, among other duties, for ensuring the effective implementation of strategy and monitoring the company's performance against established goals, including those related to sustainability.</p> <p>At the operational level, the Sustainability Committee ("SC") was established in 2020 to oversee the development and implementation of sustainability initiatives, while maintaining accurate records of the operations and outcomes. Comprising members from various departments and functions, the SC ensures the effective integration of sustainability throughout the operations of the Group. It is chaired by the Chief Operating Officer and reports to the Executive Vice Chairman and CEO. In 2020, we developed a sustainability framework to guide the company's sustainability journey through four (4) strategic themes: the Business and Sustainability of Profits, the Environment, Our People, and the Communities Around Us. Subsequently, specific targets were established for each of the Strategic Theme to foster accountability and facilitate monitoring of sustainability progress. These targets are integrated into a</p>

	performance scorecard, enabling the assess of our performance and to drive continuous improvement.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board, via the disclosures and data in its Sustainability Report, strives to keep internal and external stakeholders regularly informed of the Group’s sustainability strategies, targets, commitments and progress.</p> <p>In addition, the Group has also disclosed long-term sustainability targets such as energy management, renewable energy alternatives, and waste reduction amongst others, after taking into consideration past performance levels and action plans.</p> <p>The details of stakeholder groups, engagements and targets as well as the Company’s performance against these targets are set out in the Sustainability Report issued together with the Annual Report 2023 both of which can be found on our corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>To achieve its sustainability objectives, the Board stays abreast of information and tools necessary to perform its duties effectively, particularly with respect to climate-related risks and opportunities.</p> <p>During the year, the Board attended numerous sustainability-related conferences and training sessions, which included topics such as climate-related risks and opportunities. A comprehensive listing of the training and development programmes attended by our Directors is available in the Corporate Governance Overview Statement of the Annual Report 2023, detailed on pages 30 to 45.</p> <p>In 2022, the company introduced a Fit and Proper Policy to provide guidance to the NRC and the Board in their assessment of candidates for Board appointments and Directors seeking re-election. The evaluation process encompasses considerations such as the candidates' understanding of corporate governance and sustainability issues to ensure the proper discharge of directorial duties.</p> <p>Furthermore, the company conducts an annual Board Effectiveness Evaluation exercise to scrutinise the performance and efficacy of the Board, its committees, and individual directors. In 2023, directors engaged in a self-assessment and peer-assessment, evaluating criteria such as their skills, competencies, and level of achievement versus specific sustainability goals and targets.</p> <p>To maintain transparency and stay abreast of sustainability matters, the Board receives bi-annual updates from the Sustainability Committee on the Group's progress. These updates cover a spectrum of sustainability-related issues, including the latest developments and trends, thereby ensuring that the Board remains informed and proactive in addressing sustainability challenges.</p>

	Moving forward, the Board aspires to be constantly abreast of current sustainability issues and the regulatory requirements in the country.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Stakeholders' engagements are conducted to better understand stakeholders' concerns and expectations. This is followed by a materiality assessment to determine the material issues vital to the Group and its business.</p> <p>These materiality assessments guided the Group when setting long-term sustainability goals, ensuring they are aligned to clear strategies, specific targets, and decisive actions. The Board oversees the steering of the organisation towards achieving its sustainability targets.</p> <p>In 2021, we set specific targets for each of our Strategic Themes to improve the effective implementation of our Sustainability Framework. These targets are integrated into a performance scorecard that is linked to the remuneration structure for our CEO and Executive Vice Chairman. The progress of our sustainability targets is detailed on page 16 of the Sustainability Report 2023.</p> <p>In addition, the NRC has set out a clear sustainability performance and reward framework for EDs, aligned to the Group's long-term sustainability goals, to motivate and assess their performance and progress.</p> <p>The annual Board Effectiveness Evaluation includes, amongst others, a review of the Board's commitment in taking into account sustainability considerations when developing and implementing the Company's strategies, business plans, major plans of action and risk management, to support its long-term value creation and success.</p> <p>The relevant sustainability performance measures are reviewed annually to evaluate the performance and reward framework for the Board and Senior Management.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: <p>The Sustainability Committee has oversight of the development and implementation of sustainability strategies and initiatives, and the responsibility to maintain accurate records of its operational outcomes and progress.</p> <p>The Sustainability Committee is led by the Chief Operating Officer and made up of representatives from key departments within the organisation including Finance, Human Resource Management, Procurement, Retail Operations, Warehouse &amp; Distribution, Marketing, Investor Relations, and Legal, amongst others. This is to ensure that all sustainability considerations are well represented and embedded into the Group's operations and business.</p> <p>Every six (6) months, the Chairman or an appointed nominee of the Sustainability Committee provides an update to the Board Sustainability Committee and the Board, detailing the progress of the Group's sustainability initiatives, including achievements, as well as insights into the latest global and local developments and trends.</p>

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NRC reviews the composition of the Board and Board Committees periodically through the annual Board Effectiveness Evaluation ("BEE"), to ensure the Board has a diverse mix of skills, knowledge, qualifications, experience, ages, cultural backgrounds, tenure and genders, in order to discharge their responsibilities effectively.</p> <p>The tenure of office for each Director on the Board and Board Committees is also assessed. The assessment allows the NRC to identify any gaps in the composition of the Board, to facilitate the identification, selection and appointment of new board members and to bridge any gap in the composition of the Board and Board Committees.</p> <p>Based on the BEE carried out in respect of the financial year ended 31 December 2023, the NRC and the Board agreed that the Board, Board Committees and individual Directors had performed satisfactorily and effectively. The individual Directors had also undertaken and satisfied the fit and proper assessment pursuant to the Fit &amp; Proper Policy adopted, via self-declaration and peer assessment. The Independent Directors had also fulfilled their independent role by their objective participation in Board deliberations and had exercised independent judgement during Board meetings.</p> <p>The NRC and Board also reviewed the term of office and performance of the ARMC and each of its members in accordance with Paragraph 15.20 of the MMLR of Bursa Securities. The NRC and Board were satisfied that the ARMC and its members had carried out their duties in accordance with the ARMC's Terms of Reference.</p> <p>The assessment results based on the BEE conducted on Directors who are due for retirement and seeking re-election at the AGM were taken into consideration and formed the basis of the</p>

	<p>recommendation by the NRC to the Board, prior to recommending to shareholders for approval their re-election as Directors of the Company at the annual general meeting. The performance and contribution of the retiring Directors were assessed to ensure that they meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their duties.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at 31 December 2023, the Board comprised of six (6) Directors, four (4) or 67% of whom are Independent Non-Executive Directors (“INEDs”).</p> <p>All the INEDs had provided Bursa Securities a letter of confirmation as an Independent Director as defined under Paragraph 1.01 of the MMLR of Bursa Securities upon the appointment of the INEDs.</p> <p>An annual assessment on independence of INEDs in respect of FY2023 was conducted based on the independence test prescribed under Paragraph 1.01 of the MMLR to assess their ability to bring unbiased and objective judgement to the Board’s deliberations.</p> <p>All four (4) INEDs namely, Dato’ Azlam Shah bin Alias, Ms. Ng Ing Peng, Ms. Leng Choo Yin and Dato’ Hamidah binti Naziadin had satisfied the independence test, and had confirmed that they are independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement and have the ability to act in the best interests of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Applied										
<b>Explanation on application of the practice</b>	:	<p>The Board adopted Practice 5.3 in its Board Charter in August 2021.</p> <p>Shareholders' approval will be sought with justification through a two-tier voting process should the Board intend to retain an Independent Director beyond nine (9) years, but for not more than twelve (12) years in accordance with the MMLR.</p> <p>During the financial year under review, none of the four (4) INEDs exceeded the nine (9) year term limit.</p> <p>The length of service of the INEDs as at 31 December 2023 as summarised below:-</p> <table border="1"><thead><tr><th>Name of INED</th><th>Length of Service</th></tr></thead><tbody><tr><td>Dato' Azlam Shah bin Alias</td><td>5 years</td></tr><tr><td>Ng Ing Peng</td><td>5 years</td></tr><tr><td>Leng Choo Yin</td><td>5 years</td></tr><tr><td>Dato' Hamidah binti Naziadin</td><td>2 years</td></tr></tbody></table>	Name of INED	Length of Service	Dato' Azlam Shah bin Alias	5 years	Ng Ing Peng	5 years	Leng Choo Yin	5 years	Dato' Hamidah binti Naziadin	2 years
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<b>Measure</b>	:											
<b>Timeframe</b>	:											

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: Even though Practice 5.3 is adopted in the Board Charter, the Board envisages to limit the tenure of Independent Directors to nine (9) years without further extension.  Upon completion of the nine (9) years term, an Independent Director may continue to serve on the Board subject to the Director being re-designated as a Non-Independent Director.

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p><u>Appointment of Board</u></p> <p>The NRC is guided by the process of selection, nomination and appointment of Directors adopted by the Board which includes sourcing suitable candidates via various sources of recommendations, identifying, assessing and shortlisting suitable candidates based on the gap analysis conducted on the Board and Board Committees' composition to map the required skill-set based on the Group's business requirements against the merits and capabilities of the proposed candidates, as well as the areas to be strengthened in the current Board composition, and criteria set for appointment of Directors. New appointments also take into consideration the relevant requirements and best practices for appointment of Directors pursuant to the Act, MMLR of Bursa Securities and the MCCG.</p> <p>The NRC considers various sources including the recommendation from existing Board members, Management, major shareholders, business associates, as well as other independent sources such as professional corporate director recruitment agencies, where possible, when sourcing suitable candidate(s) for new appointment of Director(s).</p> <p>In making the assessment and recommendation of suitable candidates for new appointments, the NRC considers the objective criteria, merit and various diversity factors, such as, skills, knowledge, expertise, experience, professionalism, integrity and other relevant qualities, including the candidates' character, competence and commitment (including time commitment and number of directorships held) to effectively discharge his/her role as a Director, and to strengthen the Board composition, so as to meet the objectives and strategic goals of the Company.</p>

In the case of the appointment of an Independent Director, the NRC also considers the candidate's ability to discharge such responsibilities/functions as expected of an Independent Director to bring objectivity and independent judgment, and whether he/she meets the requirements of independence as defined in Paragraph 1.01 and Practice Note 13 of the MMLR of Bursa Securities.

Background/reference checks are conducted by the Credit Reporting Agency and/or Central Credit Reference Information System on the proposed suitable candidate as part of the assessment process prior to shortlisting the proposed suitable candidate for appointment as Director.

The Board, through the NRC, reviews the requirement to create and maintain a balanced diversity on the Board, as and when necessary. At any given time, the Board may seek to improve one or more aspects of its diversity and measure the progress accordingly.

The current Board composition comprises three (3) women Directors out of the total six (6) Directors, representing 50% of the Board composition, bringing with them a diverse mix of skill sets, knowledge and expertise.

The Board diversity in the current Board composition is depicted as follows:-

a) Skill sets

<b>Category</b>	<b>Percentage (%)</b>
Strategy and Entrepreneurship	90
Legal and Regulatory Requirements	83
CG, Risk Management and Internal Controls, Sustainability	93
Audit, Accounting, Financial Reporting and Taxation	77
Human Capital	93
Sales and Marketing	90
Information Technology and Cyber Security	67
Production and Quality Assurance	87
General Business and Economics	90

b) Board balance and composition

Category	No. of Director	Percentage (%)
INEDs	4	67
EDs	2	33

c) Gender

Category	No. of Director	Percentage (%)
Men	3	50
Women	3	50

d) Age

Category	No. of Director	Percentage (%)
51 - 55	3	50
56 - 60	1	16.7
61 - 65	1	16.7
66 - 70	1	16.7

e) Ethnicity

Category	No. of Director	Percentage (%)
Malay	2	33
Chinese	4	67

f) Tenure of Office

Category	No. of Director	Percentage (%)
1-5 years	5	83
6-10 years	1	17

Appointment of Senior Management ("SM")

1. The EDs and CEO are entrusted by the Board to ensure that there are adequate and sufficient SM members to lead and support them in discharging their responsibilities with regard to company strategies, growth and sustainability. The composition and size of the SM team is deemed adequate for the effective discharge of their functions and responsibilities. Hence, the appointment of the SM is made objectively in the best interests of the Company, taking into account diverse perspectives and insights.
2. Our policy aims to diversify the selection and suitability assessment to ensure all key and critical positions are filled, to provide the Group with the strong leadership necessary to achieve its corporate goals and objectives. The policy ensures fair and equitable compensation practices, promotes

	<p>development, and supports career progression based solely on performance and achievement. Our Company cultivates an equal opportunity policy, and does not discriminate in terms of orientation, ethnicity, gender, age, religion, disability and geographical provenance.</p> <p>In this respect, the Board, through the recommendations of the EDs, takes into account that the appointment of SMs are made with consideration to diversity in skills, qualifications, expertise and experience, age, gender and race/ethnicity, as well as other relevant qualities including industry knowledge, integrity and competencies, to ensure they are able to discharge their duties effectively and drive the right initiatives in order to achieve the Company's goals and objectives.</p> <p>3. The diversity composition of SM's are as follows:</p> <p>i) Gender</p> <table border="1" data-bbox="647 853 1406 1014"> <thead> <tr> <th>Category</th> <th>No. of SM</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>Men</td> <td>8</td> <td>80</td> </tr> <tr> <td>Women</td> <td>2</td> <td>20</td> </tr> </tbody> </table> <p>ii) Age</p> <table border="1" data-bbox="647 1088 1406 1285"> <thead> <tr> <th>Category</th> <th>No. of SM</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>31-40</td> <td>1</td> <td>10</td> </tr> <tr> <td>41-50</td> <td>6</td> <td>60</td> </tr> <tr> <td>51-60</td> <td>3</td> <td>30</td> </tr> </tbody> </table> <p>iii) Ethnicity</p> <table border="1" data-bbox="647 1359 1406 1556"> <thead> <tr> <th>Category</th> <th>No. of SM</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>Malay</td> <td>0</td> <td>0</td> </tr> <tr> <td>Chinese</td> <td>9</td> <td>90</td> </tr> <tr> <td>Indian</td> <td>1</td> <td>10</td> </tr> </tbody> </table>	Category	No. of SM	Percentage (%)	Men	8	80	Women	2	20	Category	No. of SM	Percentage (%)	31-40	1	10	41-50	6	60	51-60	3	30	Category	No. of SM	Percentage (%)	Malay	0	0	Chinese	9	90	Indian	1	10
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<p><b>Timeframe</b> :</p>																																		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.6**

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has adopted a formal and transparent process for selection, nomination and appointment of Directors, taking into account criteria required of directors, such as skills, experience, personal attributes, and diversity, both collectively and individually.</p> <p>In sourcing for suitable candidates for the appointment as Directors, the NRC considers various sources of recommendation including existing Board members, major shareholders, Management, business associates, as well as other independent sources, where possible, and also ensure the selection is aligned to the current board composition, gap analysis and criteria for appointment of Directors.</p> <p>Background/reference checks on the proposed candidates are conducted by the Credit Reporting Agency and/or Central Credit Reference Information System as part of the assessment process, prior to shortlisting and recommending the proposed suitable candidate to the Board for appointment as Director.</p> <p>The final decision on the appointment of Directors remains the responsibility of the full Board, upon considering the recommendations from the NRC.</p> <p>The process of selection, nomination and appointment of Directors are set out in the NRC Report on pages 59 to 60 of the Annual Report 2023.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Dato' Azlam Shah bin Alias and Ng Ing Peng were retired and being eligible, sought re-election at the 12<sup>th</sup> AGM of the Company held on 8 June 2023 pursuant to Clause 130 of the Constitution of the Company, which stipulates that one-third of the Directors are subject to retirement by rotation at every AGM such that each Director shall retire from office once every three (3) years and shall be eligible for re-election.</p> <p>In reviewing and considering the recommendation of Dato' Azlam Shah bin Alias and Ng Ing Peng for re-election as Directors at the 12<sup>th</sup> AGM of the Company, the Board through the NRC, assessed the performance and suitability of Dato' Azlam Shah bin Alias and Ng Ing Peng via the annual Board Effectiveness Evaluation in respect of FY2022, conducted in March 2023.</p> <p>Based on the results of this assessment, the NRC and Board agreed that both the retired Directors had met the criteria of character, experience, integrity, competence and time commitment as prescribed in Paragraph 2.20A of the MMLR of Bursa Securities and possessed the relevant qualities to effectively discharge their respective roles and responsibilities as Directors. Dato' Azlam Shah bin Alias and Ng Ing Peng had also met the independence criteria as prescribed in the MMLR of Bursa Securities and remained independent in exercising their judgment and in carrying out their duties as Independent Directors.</p> <p>Dato' Azlam Shah bin Alias has extensive experience and expertise in retail industry with his role as Senior Adviser to the President and member of the advisory board of Lotuss Stores (Malaysia) Sdn. Bhd. (formerly known as Tesco Stores (Malaysia) Sdn. Bhd.). He is also an Industry Advocacy Representative of Malaysian International Chambers of</p>

	<p>Commerce and Industry, and Malaysian Retailers Association. Previously, he also held various roles in retail development of Esso Malaysia Berhad and retail development representative of Mobil Oil Malaysia Sdn. Bhd.</p> <p>Ng Ing Peng is a certified chartered accountant with working experiences specialised in finance, culminating in her position as former Executive Director and Group Chief Financial Officer of an oil and gas company. This puts her in a good stead as Chair of the Audit and Risk Management Committee.</p> <p>All retired Directors had also undertaken the fit and proper assessment pursuant to the Fit &amp; Proper Policy adopted via peer assessment and self-declaration. Based on the results of this assessment, the NRC and the Board affirmed that all retired Directors had satisfied the fit and proper assessment which assessed their character, integrity, experience, competence, time and commitment.</p> <p>Profiles of the retired Directors sought re-election were disclosed in the Annual Report 2022.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at 31 December 2023, the NRC comprises three (3) members, all of whom are Independent Non-Executive Directors. The NRC is chaired by Ms. Leng Choo Yin.</p> <p>The NRC is entrusted by the Board to assist the Board in discharging its oversight duties on matters relating to identifying and nominating suitable candidates for appointment to the Board, assessment of the performance and effectiveness of the Board, Board Committees and individual Directors including independence of Independent Directors, setting Key Performance Indicators (“KPIs”) and assessment of the performance of EDs against the KPIs set, the review of the remuneration policy and framework for Board and EDs, the review of succession planning for the Board and EDs, and ensuring that the Employees’ Share Option Scheme (“ESOS”) is fairly and properly administered and implemented in accordance with the ESOS By-Laws.</p> <p>A summary of the NRC’s activities for FY2023 is disclosed in the NRC Report on pages 58 to 59 of the Annual Report 2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supportive of the best practices by MCCG in relation to having at least 30% women Directors on the Board.</p> <p>As at 31 December 2023, the composition of the Board includes three (3) women Directors out of a total of six (6) Directors, representing 50% of the Board composition. This also provides the Board with a diverse mix of skill sets, knowledge and expertise.</p> <p>Profiles of the women Directors are disclosed on pages 26 to 27 of the Annual Report 2023.</p> <p>In identifying suitable candidates for appointment to the Board, the Board, through the NRC, takes into consideration the merits of the candidates and the required skills, qualifications, knowledge and experience based on the business requirements of the Company, as primary considerations and subject to the availability of suitable woman candidates.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Applied									
<b>Explanation on application of the practice</b>	:	<p>The Board Diversity Policy adopted by the Board adheres to the recommendation by MCCG of having at least 30% women Directors on the Board.</p> <p>In identifying suitable candidates for appointment, the Board, through the NRC, takes into consideration the merits of the candidate and the required skills, qualifications, knowledge and experience based on the requirements of the Company, as primary considerations and subject to the availability of suitable woman candidates.</p> <p>As at 31 December 2023, the composition of the Board comprised of three (3) women Directors out of a total six (6) Directors representing 50% of the Board composition, bringing with them a diverse mix of skill sets, knowledge, experience and expertise.</p> <p>The profiles of Ms. Ng Ing Peng, Ms. Leng Choo Yin and Dato' Hamidah binti Naziadin, who are the women INEDs of the Company, are disclosed on page 27 of the Annual Report 2023.</p> <p>During the period under review, the Senior Management (SM) comprised of 20% women.</p> <p>The gender composition of the SM are as follows:</p> <table border="1"><thead><tr><th>Category</th><th>No. of SM</th><th>Percentage (%)</th></tr></thead><tbody><tr><td>Men</td><td>8</td><td>80</td></tr><tr><td>Women</td><td>2</td><td>20</td></tr></tbody></table>	Category	No. of SM	Percentage (%)	Men	8	80	Women	2	20
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<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>											

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

## Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>											
<b>Application</b>	:	Applied									
<b>Explanation on application of the practice</b>	:	<p>The NRC is entrusted by the Board to review the performance and effectiveness of the Board and Board Committees, including individual Directors, and the independence of the INEDs, annually. The assessment results, together with a report on the Board balance covering the required mix of skills, qualifications, experience and other qualities of Board members, are tabled to the Board for discussion.</p> <p>The assessment results from the Board Effectiveness Evaluation (“BEE”) form the basis of the NRC’s recommendation to the Board for the re-election and/or re-appointment of Directors and Board Committee members, as well as to facilitate further development of the Board and Board Committees.</p> <p>An online annual assessment of the effectiveness of the Board, Board Committees, individual Directors including independence of the INEDs in respect of the financial year under review was conducted via self-assessment and peer assessment, and facilitated internally by the Company Secretary. The assessment results and responses were tabled to the NRC and Board for review and deliberation.</p> <p>The types of assessment, areas of assessment and results of assessments in respect of FY2023 are set out below:-</p>									
		<table border="1"><thead><tr><th>No.</th><th>Types of Evaluation</th><th>Areas of Assessment</th><th>Results</th></tr></thead><tbody><tr><td>1.</td><td>Board (Self-assessment)</td><td>Roles and responsibilities; board mix and composition;</td><td>Above satisfactory</td></tr></tbody></table>	No.	Types of Evaluation	Areas of Assessment	Results	1.	Board (Self-assessment)	Roles and responsibilities; board mix and composition;	Above satisfactory	
No.	Types of Evaluation	Areas of Assessment	Results								
1.	Board (Self-assessment)	Roles and responsibilities; board mix and composition;	Above satisfactory								

		information to the Board; conduct of Board meetings; performance evaluation; Board relationship with the Management; Sustainability.	
2.	Board Committees (Self-assessment) ➤ ARMC  ➤ BSC	Composition; meetings; information; skills and competencies; Board communication; Committees outcomes; Sustainability.	➤ Above satisfactory ➤ Satisfactory
3.	Board Committees (Self-assessment) ➤ NRC	Composition; meetings; information; skills and competencies; Board communication; Committees outcomes.	Above satisfactory
4.	Individual Directors (Peer assessment) ➤ DAS ➤ TYY ➤ AO ➤ NIP ➤ LCY ➤ DHN	Fit and proper; contribution and performance; calibre and personality.	} Above satisfactory
5.	ARMC (Peer assessment) ➤ NIP ➤ LCY ➤ DHN	Fit and proper; contribution and performance; calibre and personality.	} Above satisfactory
6.	Individual Directors' skills set matrix	<ul style="list-style-type: none"> <li>➤ Strategy and Entrepreneurship;</li> <li>➤ Legal and Regulatory Requirements;</li> <li>➤ CG, Risk Management and Internal Controls, Sustainability;</li> <li>➤ Audit, Accounting, Financial Reporting and Taxation;</li> <li>➤ Human Capital;</li> <li>➤ Sales and Marketing;</li> <li>➤ Information Technology and Cyber Security;</li> <li>➤ Production and Quality Assurance</li> <li>➤ General Business and Economics</li> </ul>	<p>90%</p> <p>83%</p> <p>93%</p> <p>77%</p> <p>93%</p> <p>90%</p> <p>67%</p> <p>87%</p> <p>90%</p>



7.	Training required	<ul style="list-style-type: none"> <li>➤ Leadership development programmes and board dynamics;</li> <li>➤ Conflict resolution and consensus-building technique;</li> <li>➤ Environment, Social and Governance (Climate Change)/ Sustainability;</li> <li>➤ Industry related challenges and governance.</li> </ul>	Not applicable
8.	Independence of Independent Directors <ul style="list-style-type: none"> <li>➤ DAS</li> <li>➤ NIP</li> <li>➤ LCY</li> <li>➤ DHN</li> </ul>	<ul style="list-style-type: none"> <li>➤ Independence criteria as prescribed in the MMLR of Bursa Securities.</li> <li>➤ Remained independent in exercising judgment and in carrying out duties as Independent Director.</li> </ul>	All four (4) Independent Directors have confirmed and declared their independence

*Notes:*

*DAS – Dato’ Azlam Shah Bin Alias*

*TYY – Tan Yu Yeh*

*AO – Ong Chu Jin Adrian*

*NIP – Ng Ing Peng*

*LCY – Leng Choo Yin*

*DHN – Dato’ Hamidah Binti Naziadin*

The NRC was satisfied with the effectiveness of the Board, Board Committees, and individual Directors, including independence of the INEDs based on the annual assessment conducted, and recommended the same to the Board for consideration. The Board, after due consideration, was satisfied and affirmed that the Board, Board Committees and individual Directors including the INEDs had discharged their duties and responsibilities responsibly.

The expectation or areas of improvement identified by the Board include the need for ARMC to continue to maintain independence and resourceful, the NRC to be effective in succession planning, and the BSC to be exposed to more sustainability ideas, concepts and more involvement in climate change or environmental activities.

The Board endeavours to undertake a periodic board evaluation facilitated by a professional, experienced and independent party

	at least once every three (3) years to ensure greater objectivity to the assessment, by providing an unbiased perspective of the Director's performance and his/her ability to contribute effectively to the Board. The BEE in respect of the financial year ended 2022 was conducted by an external independent consultant, Institute of Corporate Directors Malaysia in March 2023.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board has a formal and transparent process for approving the remuneration of Non-Executive Directors ("NEDs"), EDs and Key Senior Management ("KSM") through the adoption of a remuneration policy, which is reviewed and recommended by the NRC. The Policy aims to attract and retain the right talent to the Board and KSM, to drive the Company's long-term objective of promoting business stability and growth, and creating long-term value for shareholders.</p> <p>The NRC is responsible for establishing and reviewing the remuneration policy, and making recommendations on the same to the Board for approval.</p> <p><u>Remuneration of NEDs</u></p> <p>The Board determines and decides the fees and remuneration payable to NEDs as a whole, based on the recommendation of the NRC. None of the NEDs is involved in deciding his/her own remuneration. The fees and benefits payable to the NEDs are subject to shareholders' approval at the annual general meeting pursuant to Section 230 of the Act. The NEDs abstain from deliberating and voting on matters related to their own remuneration in Board meetings and/or general meetings if he/she is also a shareholder.</p> <p>The Directors' fees and benefits are payable to the NEDs on monthly basis in arrears upon services rendered by the NEDs as members of the Board and Board Committees of the Company.</p> <p>During the financial year under review, the shareholders of the Company had, at the 12<sup>th</sup> AGM of the Company held on 8 June 2023,</p>

approved the remuneration package for NEDs for an amount up to RM700,000 for the period from 1 July 2023 until the next AGM to be held in June 2024, based on the following framework:

Type of Fees/Benefits	Amount (RM)
Board Chairman's Fee	159,000 per annum
Non-Executive Director Fee	115,800 per annum
Meeting Allowance	1,000 per meeting
Chairman's Allowance	60,000 per annum

In reviewing the remuneration payable to NEDs, the NRC considers various factors including the NEDs' fiduciary duties, responsibilities, time commitments expected of them and the Company's performance. The Directors' fees and benefits are also benchmarked against comparable peers of other public listed companies in the retail sector, government-linked companies ("GLC"), non-GLCs and the top 30 largest companies by market capitalisation on Bursa Malaysia, to ensure that the remuneration payable is commensurate and aligned with prevailing market rates.

The Chairman's allowance is accorded to the Non-Executive Chairman for his time commitment and involvement in corporate responsibilities activities undertaken by the Group.

#### Remuneration of EDs and KSM

An appropriate and effective remuneration procedure serves to motivate the EDs and KSM to drive the success of the Company. The remuneration is aligned to the Company's need to attract and retain appropriately experienced and qualified members of KSM, in accordance with the competitive market place. The level of remuneration is commensurate with the experience, expertise, and level of responsibilities undertaken by the EDs and each member of the KSM.

The remuneration of EDs and KSM comprises base compensation with allowances, variable bonuses, long-term equity ownership and option plans, as well as other benefits. The base compensation is determined by: -

- The scope of the duties and responsibilities;
- The Company and individual performance in meeting the strategic objectives of the Company and against KPIs set annually; and
- The current market rate within the industry and in comparable companies or sectors.

	<p>For KSM, the remuneration packages of managerial talent of other comparable industries are taken into consideration when deciding the remuneration package of the KSM.</p> <p>The performance of the respective divisions of the KSM and their individual performance are linked to the Company's performance and established through KPIs, which are closely aligned to the Company's objectives. The evaluation of KPIs achieved against the target performance standard for KSM and Senior Management is reviewed and approved by the EDs.</p> <p>The remuneration package for EDs is reviewed and recommended by the NRC to the Board for approval on an annual basis.</p> <p>The NRC reviews and assesses the effectiveness of the remuneration policy and procedures for both EDs and KSM periodically or as and when necessary. Any amendments/revision required is recommended to the Board for approval. The remuneration policy is accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NRC is entrusted by the Board to carry out the following functions relating to the remuneration of the Board, EDs and KSM:-</p> <ul style="list-style-type: none"><li>a) Review and recommend to the Board for approval the remuneration policies and procedures of the Board, Board Committees, the EDs and KSM. Independent professional advice may be obtained in determining the remuneration framework;</li><li>b) Recommend to the Board the proposal for EDs' remuneration and benefits, including share options and compensation payments in the event of termination of the employment/service contracts (if any) by the Company and/or the Group. The recommendation is made based on their performance relative to the KPIs set; and</li><li>c) Review and recommend to the Board the Directors' Fees and benefits payable to the NEDs for recommendation to the shareholders of the Company for approval.</li></ul> <p>The Terms of Reference of the NRC, which prescribes its roles and responsibilities in relation to remuneration matters, is embedded in the Board Charter and accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p> <p>The Remuneration Policy for EDs and KSM adopted by Board is designed to align with the Company's objectives, taking into consideration the performance of the Company, as well as the roles, skills, responsibilities of the positions, and the overall performance of the individual EDs or KSM.</p>

	<p>The Remuneration Policy is structured to provide a fair remuneration through a combination of short and long-term compensation and incentives critical to attract, retain and motivate the EDs and KSM. There are aligned to the interests of stakeholders, the long-term goals of the Company, and to ensure business sustainability and stable long-term growth.</p> <p>The remuneration package for EDs is subject to review by the NRC and approval by the Board, whereas the remuneration package for KSM is subject to review and approval by the EDs.</p> <p>The NRC shall conduct an annual review of the criteria used to determine the remuneration package for EDs when setting their annual KPIs and if it thinks fit, recommends the same to the Board for endorsement.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The breakdown of remuneration of individual Directors comprising fees, allowances, salaries, bonuses, benefits-in-kind and other emoluments for FY2023 are as set out below:  [Note : Brahma A/L Vasudevan, a Non-Independent Non-Executive Director (who resigned as Director on 3 April 2023), has voluntarily offered to contribute his remuneration to a charitable organisation.]



No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Azlam Shah bin Alias	Independent Director	159	71	NIL	NIL	NIL	NIL	230	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	Tan Yu Yeh	Executive Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	72	858	143	NIL	126	1,199
3	Ong Chu Jin Adrian	Executive Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	69	809	143	NIL	187	1,208
4	Ng Ing Peng	Independent Director	116	20	NIL	NIL	NIL	NIL	136	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5	Leng Choo Yin	Independent Director	116	16	NIL	NIL	NIL	NIL	132	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6	Dato' Hamidah binti Naziadin	Independent Director	116	16	NIL	NIL	NIL	NIL	132	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7	Brahmal A/L Vasudevan <i>*Resigned on 3 April 2023</i>	Non-Executive Non-Independent Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here



**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.2**

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
<b>Explanation on application of the practice</b>	:	The breakdown of remuneration of the top five (5) SM comprising salary, allowance, bonus, benefits in-kind and other emoluments in bands of RM50,000 in respect of FY2023 are as set out below:	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Tan Yu Wei	Executive Vice President	650,001-700,000	0-50,000	100,001-150,000	0-50,000	100,001-150,000	950,001-1,000,000
2	Lim Chen Hwee	Chief Financial Officer	550,001-600,000	0-50,000	100,001-150,000	0-50,000	50,001-100,000	800,001-850,000
3	Gan Sau Liang	Senior Vice President	500,001-550,000	0-50,000	150,001-200,000	0-50,000	50,001-100,000	800,001-850,000
4	Lau Boon Teck	Vice President, Retail	400,001-450,000	0-50,000	50,001-100,000	0-50,000	50,001-100,000	600,001-650,000
5	Hoe Lye Peng	Vice President, Distribution Centre	400,001-450,000	0-50,000	50,001-100,000	0-50,000	50,001-100,000	600,001-650,000

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					Total
			Salary	Allowance	Bonus	Benefits	Other emoluments	
1	Tan Yu Wei	Executive Vice President	678	48	141	-	101	968
2	Lim Chen Hwee	Chief Financial Officer	564	39	132	2	86	823
3	Gan Sau Liang	Senior Vice President	515	48	157	-	90	810
4	Lau Boon Teck	Vice President, Retail	432	36	90	2	79	639
5	Hoe Lye Peng	Vice President, Distribution Centre	414	48	86	-	80	628

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the ARMC is Ms. Ng Ing Peng, whilst the Chairman of the Board is Dato' Azlam Shah bin Alias.  The Chairman of the ARMC is not the Chairman of the Board to ensure overall effectiveness and independence of the ARMC.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has adopted the best practice of requiring a cooling-off period of at least three (3) years if a former key audit partner is to be recommended for appointment as a member of the ARMC.</p> <p>None of the members of the ARMC were former key audit partners and the Board has no intention of appointing any such person as a member of the ARMC at this juncture.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has delegated the responsibility of assessing the suitability, performance, objectivity and independence of the Group's appointed external audit to the ARMC.</p> <p>Guided by External Auditor Assessment Policy, the ARMC reviews and assesses the suitability, performance, objectivity and independence of the external auditor in the following areas:-</p> <ul style="list-style-type: none"><li>a) Calibre of the external audit firm;</li><li>b) Quality processes;</li><li>c) Audit team;</li><li>d) Audit scope;</li><li>e) Communication;</li><li>f) Technical expertise; and</li><li>g) Audit governance &amp; independence.</li></ul> <p>In accordance with the Malaysia Institute of Accountants' By-Laws to ensure their independency, the engagement partner in charge for the Group audit is subject to rotation every seven (7) years, which is also in line with the Group's External Auditor Assessment Policy. During the FY2023, the former lead audit engagement partner had been succeeded by a new audit engagement partner.</p> <p>The ARMC and Management representatives have conducted the annual assessment of the external auditor, BDO PLT, in respect of FY2023. Overall, the performance of BDO PLT as a whole recorded satisfactory performance.</p> <p>During FY2023, the ARMC held two (2) meetings with the external auditors on 30 March 2023 and 20 November 2023, without the presence of the Management team to discuss relevant issues and obtain feedback for improvements from the external auditors.</p>

	<p>BDO PLT has annually confirmed to the ARMC their independence to the Group within the meaning of the provisions of the By-Laws on Professional Independence of the Malaysian Institute of Accountants and the International Code of Ethics for Professional Accountants.</p> <p>The Board, through the recommendation of the ARMC, had endorsed the re-appointment of BDO PLT as the external auditor of the Company, to be recommended to the shareholders for approval at the forthcoming 13<sup>th</sup> AGM of the Company to be held on 5 June 2024.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	As at 31 December 2023, the ARMC comprised solely of three (3) INEDs and is chaired by Ms. Ng Ing Peng, Senior Independent Director who is distinct from the Chairman of the Board.

## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC is chaired by Ms. Ng Ing Peng, who is a member of the Institute of Chartered Accountants in England and Wales, and a member of the Malaysian Institute of Accountants. She has extensive working experience specialised in financial and accounting across various industries. This puts her in a good stead as Chair of the ARMC.</p> <p>Ms. Leng Choo Yin, a member of the ARMC, graduated with a Bachelor of Arts Degree (Hons) from University of Toronto, Canada and a Chartered Financial Planning, Trust and Estate Planning, and Investment-linked Life Insurance. She has a breadth of experience in wealth management and private banking.</p> <p>Dato' Hamidah binti Naziadin, a member of the ARMC, graduated with a Bachelor of Law from University of Wolverhampton, United Kingdom and obtained a Certificate in Personnel Management from Malaysian Institute of Human Resource Management (previously known as the Malaysian Institute of Personnel Management). She has vast experience in human capital and talent management as well as succession planning.</p> <p>The profiles of the members of the ARMC are set out on page 27 of the Annual Report 2023.</p> <p>The ARMC members collectively possess the necessary qualifications, skills, knowledge and experiences require to perform their duties effectively. They are financially literate and able to understand matters within the purview of the ARMC, including the financial reporting process, to discharge their duties.</p>

	<p>The performance and effectiveness of the ARMC and its members are evaluated as part of the annual Board Effectiveness Evaluation. Based on the findings, the Board was satisfied that the ARMC and its members had carried out their roles and responsibilities effectively as stipulated in the Terms of Reference. A summary of the ARMC's activities in FY2023 is disclosed in the ARMC Report on pages 52 to 54 of the Annual Report 2023.</p> <p>During the financial year under review, the ARMC members attended numerous training programmes to keep themselves abreast of relevant developments, the details of which are set out on page 41 of the Annual Report 2023. The External Auditors also updated the ARMC on relevant developments in accounting and auditing standards, practices and rules from time to time, whenever changes take place.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

### Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its responsibility to maintain a sound risk management and internal control framework to safeguard shareholders’ investments and the Group’s assets. This involves providing oversight on key organisational risks and evaluating business decisions to mitigate and control potential risks. The Board is assisted by the ARMC to oversee and manage risk-related matters.</p> <p>The ARMC takes a leadership role in advancing the Group's Enterprise Risk Management ("ERM") initiatives and the Committee is being assisted by a dedicated Risk Management Function to continuously facilitate risk assessment and reporting of key risks and mitigation actions.</p> <p>Periodic reviews are also being conducted to assess the alignment of risk strategy, policies, processes, and the risk management framework with the Group's defined risk appetite and the prevailing business environment.</p> <p>The Group’s ERM Framework and practices are in line with the ISO 31000:2018 Risk Management – Guidelines and Committee of Sponsoring Organisations (COSO): Enterprise Risk Management standards. The Framework is further elaborated in the Statement on Risk Management &amp; Internal Control (“SORMIC”) in the Annual Report 2023.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The risk management and internal control framework of the Company are designed to manage risks rather than eliminate risks, and to provide reasonable but not absolute assurance against key risks that may impact the Company resulting in material misstatement or losses.</p> <p>In adherence to the ISO 31000:2018 Risk Management - Guidelines, the Company's Enterprise Risk Management (ERM) Framework is further explained in the SORMIC, highlighting its key components, including:-</p> <ul style="list-style-type: none"><li>(a) Risk governance, detailing the risk operating model which incorporates the three lines of defence;</li><li>(b) Risk management process, stating the approach taken to assess and rate risks from Low to Extreme; and</li><li>(c) Risk category, which classifies risks into Strategic, Operational, Financial and Compliance Risks.</li></ul> <p>The Risk Management function facilitates risk assessment across all Departments on a half-yearly basis, consolidates and identifies key organisational risks including devising appropriate risk mitigation actions to address the key risks with the risk owners. Subsequently, these key risks are escalated and reported to the Management, ARMC and Board.</p> <p>The ERM Framework aligns with the ISO 31000:2018 and Committee of Sponsoring Organisations (COSO): Enterprise Risk Management standards. Additionally, the ERM Framework is reviewed on an annual basis to ensure its adequacy and relevance. The last review was conducted in February 2023.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>Taking into consideration the nature of business of the Company and having a lean Board and Board Committee composition, the function of overseeing the Company's risk management framework and policies is undertaken by the ARMC. The ARMC comprised of solely INEDs.</p> <p>The ARMC is entrusted by the Board to oversee the following risk management and internal control functions:-</p> <ul style="list-style-type: none"><li>i) Review the principal risks and ensure implementation of an appropriate risk management system to effectively identify, manage, monitor, treat and mitigate the risks impacting the Group;</li><li>ii) Review and approve the procedures and guidelines for managing risks within the Group, as well as monitor and assess the risk appetite and risk tolerance of the Group;</li><li>iii) Review and deliberate the reports on significant risk findings and recommendations;</li><li>iv) Review and assess the impact of cyber risk when undertaking any new activities, including but not limited to any investment decision, merger and acquisition, adoption of new technology and outsourcing arrangements;</li><li>v) Assess the quality, effectiveness and efficiency of the internal control in systems and processes of the Group's operations, particularly those relating to areas of significant risks;</li><li>vi) Review the evaluation of the Group's system of internal control and Management's responses by the internal and external auditors, and ensure that appropriate action is taken, and thereafter report the same to the Board;</li><li>vii) Provide oversight of sustainability reporting by ensuring the effective identification, management and reporting of material sustainability matters (i.e. risks and opportunities) affecting the economic, environmental and social aspects of</li></ul>

	<p>the Group's businesses towards achievement of sustainability goals across the Group; and</p> <p>viii) Review the annual Statement of Risk Management and Internal Control and Sustainability Reporting published in the Annual Report.</p>
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### Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Internal Audit Function (“IAF”) is performed in-house and undertaken by Internal Audit Department (“IAD”). The mission of IAD is to provide an independent, objective assurance and consulting activity designed to add value and improve operations. IAD helps the Group to accomplish its objective by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the risk management, internal controls and governance processes. IAD reports functionally to the ARMC and administratively to the CEO. The Head of IAD has unrestricted access to the ARMC and reports directly to the ARMC.</p> <p>IAD is staffed by ten (10) internal auditors, including the Head of Internal Audit (“HIA”) with relevant experience and qualifications and all of whom are free from any relationship or conflicts of interest, which could impair their objectivity and independence.</p> <p>On 20 November 2023, the ARMC reviewed and approved the Internal Audit Plan for the financial year 2024 (“Audit Plan FY2024”). Reviews are carried out based on the Audit Plan FY2024, which was developed using risk-based approach and in line with the Group direction. The Audit Plan FY2024 is assessed on a quarterly basis in alignment with the business and risk environment. Guided by the approved plan, internal audit assignment is carried out to evaluate the adequacy, effectiveness and efficiency of the internal control system of the areas under review. Significant internal audit findings and status update on outstanding management action plan will be reported by HIA to the ARMC on quarterly basis.</p> <p>The IAF performance evaluation is undertaken by ARMC annually. Based on the annual performance evaluation conducted on IAF in respect of FY2023, the ARMC was satisfied with the performance and effectiveness of IAF.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In accordance with the Internal Audit Charter, the Internal Audit acts as an independent and objective function that supports the Group in achieving its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.</p> <p>The IAD is staffed by ten (10) internal auditors, including the HIA with relevant experience and qualifications and all of whom are free from any relationship or conflicts of interest, which could impair their objectivity and independence.</p> <p>The IAD is spearheaded by HIA, who is a member of the Association of Chartered Certified Accountants (ACCA) and a Certified Internal Auditor (CIA). As per the Internal Audit Charter, the Internal Audit activities are governed by adherence to the Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing ("Standards"). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the corporate governance activity's performance.</p> <p>In addition, the Internal Audit activities will adhere to the Group's relevant policies and procedures and the assurance activity's standard operating procedures manual which has been drawn up with reference to the Standards.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of providing timely, effective and transparent communication to the Company's stakeholders, to facilitate mutual understanding of each other's objectives and expectations and to enable the stakeholders to make informed decisions.</p> <p>The Company is guided by the continuous disclosure requirements under the MMLR of Bursa Securities and the Corporate Disclosure Guide issued by Bursa Malaysia on information for disclosure.</p> <p>The Company leverages on various communication channels/platforms to reach out to its shareholders and stakeholders including:-</p> <p>i) <u>Announcements to Bursa Securities</u> The Company releases all financial information, annual reports, circulars to shareholders and various announcements to Bursa Securities in compliance with the MMLR of Bursa Securities via Bursa LINK. Such financial information and announcements are accessible on Bursa Securities' website at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> and also the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p> <p>ii) <u>Corporate Website</u> All relevant information on the Group such as corporate profile, quarterly financial results, audited financial statements, annual reports, circulars to shareholders, general announcements, press releases, Board Charter, Constitution, policies, minutes of general meetings, quarterly investors' presentations, share price information, financial highlights, as well as business-related events/activities and promotions are accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p>

iii) Annual Report and Circular to Shareholders

The annual report serves as a vital source of information for shareholders, investors and the general public. It communicates comprehensive information on the Group's financial performance, business activities, other key developments such as operational updates and challenges, as well as governance structure and practices, and the sustainability efforts of the Group.

Circulars to shareholders provides information on corporate proposal/exercises undertaken by the Group.

iv) Annual General Meeting ("AGM") and General Meeting ("GM")

The AGM and GM are the principal forums for dialogue and engagement between the Board and the shareholders, to enable shareholders to enhance their understanding and seek clarification of the business and performance of the Group. It also provides for two-way dialogue between the Board and shareholders; a direct avenue for the former to understand the expectations of shareholders.

v) Media Releases

Media releases are made upon the release of quarterly financial results to Bursa Securities, providing an update and overview of the business and financial performance, as well as and other general updates of the Group to the investment community, shareholders, and general public. Media releases are also announced to Bursa Securities prior to circulation to the media.

vi) Investor Relations Channel

The Company also maintains its communication channel with shareholders, potential investors, analysts, fund managers and the investment community, through its Investor Relations channel. Stakeholders are encouraged to channel their enquiries to our IR personnel whose name, contact number and e-mail address are as follows:-

Investor Relations:

Contact person : Jason Teh

Tel. No. : +603 8961 1338 (8.30 am – 5.30 pm, Monday – Friday)

Email : [investor.query@mrdiy.com](mailto:investor.query@mrdiy.com)

vii) Quarterly Briefing

Quarterly briefings are held with fund managers, financial analysts and media after the quarterly financial results are released to Bursa Securities, to provide them with an overview



	of the business highlights, financial performance, as well as outlook and prospects of the Group. The quarterly briefing presentations are accessible on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a> .	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Board is cognisant that adoption of integrating reporting based on a globally recognise framework involves substantial expertise and resources which require proper planning prior to adoption.</p> <p>The Annual Report 2023 has incorporated certain elements of integrated reporting based on the parameters set out in a globally recognised framework.</p> <p>The Board believes that the Annual Report 2023, which contains the Management Discussion and Analysis, Corporate Governance Overview Statement, Sustainability Report, as well as Statement on Risk Management and Internal Control is adequate in providing a comprehensive overview to enable stakeholders to make informed decisions.</p> <p>The Board will review the contents of its annual report on an on-going basis to improve and enhance disclosure to shareholders.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Board endeavours to review the readiness of adopting the integrated reporting in the future.	
<b>Timeframe</b>	:	Others	Work in progress

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Notice of the 12<sup>th</sup> AGM was issued to the shareholders on 28 April 2023 i.e at least 28 days prior to the date of the AGM as scheduled on 8 June 2023.</p> <p>A copy of the notice of the 12<sup>th</sup> AGM was made available on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a> and was advertised in nationally-circulated English daily newspaper.</p> <p>The notice of the 12<sup>th</sup> AGM outlined the resolutions tabled at the 12<sup>th</sup> AGM together with explanatory notes and statements accompanying the notice, to enable shareholders to make informed decisions when exercising their voting rights.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges that general meetings are an important platform for Directors and SM to engage with shareholders, to help the latter gain greater understanding of the Company's business, governance and performance, and to make informed voting decisions at general meetings.</p> <p>All the Directors, Chairs of the Board Committees, CFO and External Auditors were present at the 12<sup>th</sup> AGM held on 8 June 2023 to provide meaningful responses to questions addressed to them.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 12<sup>th</sup> Annual General Meeting (“AGM”) of the Company held on 8 June 2023 was conducted virtually through live streaming from the Broadcast Venue at Reflexion, Level 3A, Connexion Conference &amp; Event Centre, Nexus, Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia and via online meeting platform on the TIIH Online website at <a href="https://tiih.online">https://tiih.online</a> as provided by our Share Registrar, Tricor Investor &amp; Issuing House Services Sdn. Bhd. (“Tricor”).</p> <p>The arrangement is authorised under the Act and the Constitution of the Company and also in line with the Guidance on the Conduct of General Meetings for Listed Issuers as prescribed by the Securities Commission of Malaysia (“SC Guidance”).</p> <p>The Broadcast Venue of the 12<sup>th</sup> AGM is the main venue in Malaysia where the Chairman of the meeting was physically present in accordance with Section 327(2) of the Act together with essential individuals in accordance with Note 1.2 of the SC Guidance.</p> <p>Shareholders/proxy(ies)/authorised representatives attended, posed questions prior to and via real time submission of typed texts and voted remotely at the 12<sup>th</sup> AGM via the Remote Participation and Voting facilities (“RPV”) as provided by Tricor via its TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>.</p> <p>Voting on all proposed resolutions tabled during the 12<sup>th</sup> AGM was conducted via online poll voting, in compliance with Paragraph 8.29A of the MMLR of Bursa Securities.</p> <p>The voting process was conducted via e-polling to provide a more efficient and accurate outcome of the poll results. The Share Registrar, Tricor was appointed as the Poll Administrator to</p>

	<p>conduct the e-polling and Asia Securities Sdn. Bhd. was appointed as the Independent Scrutineer to verify and validate the poll result, to ensure that the online voting process was undertaken properly.</p> <p>The participation at the 12<sup>th</sup> AGM was encouraging, with a total of 269 members, proxies and authorised representatives holding a total of 8,506,476,751 shares, representing 90.17% of the total issued shares of the Company, logging onto the RPV via the TIIH Online website to attend the 12<sup>th</sup> AGM virtually.</p> <p>The Share Registrar, Tricor, had also adopted/implemented an IT Policy and Information Security Policy, endpoint controls, as well as data classification for cyber hygiene practices of its staff. The TIIH Online meeting platform is hosted in a secure cloud platform and the data center is certified by ISO27001.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All the Directors including the Executive Vice Chairman and CEO, CFO and External Auditors were present at the 12<sup>th</sup> AGM to respond to any enquiries from the shareholders.</p> <p>The CEO, on behalf of the Board, presented a comprehensive overview of the performance of the Company in respect of FY2022, its outlook and prospects moving forward, which encompassed the following:-</p> <ul style="list-style-type: none"><li>a) Financial year 2022 at a glance;</li><li>b) Store network as at 31 December 2022;</li><li>c) Industry Review: Home Improvement Retail Sector in Malaysia;</li><li>d) Industry Review: Market Share of Home Improvement Retail Sector in Malaysia;</li><li>e) 7 years of continuous growth;</li><li>f) Key Profitability Metrics;</li><li>g) Key Balance Sheet Items;</li><li>h) Automation Warehouse – highlights and benefits;</li><li>i) MR. D.I.Y. Plus;</li><li>j) Cumulative dividends: return to shareholder;</li><li>k) Strategic Priorities; and</li><li>l) Corporate Social Responsibility.</li></ul> <p>Full details of the CEO presentation and a copy of the slide presentation can be viewed on the Company's website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p> <p>The Company received a total of 40 questions from shareholders, including the questions from the Minority Shareholders Watch Group ("MSWG") prior to and via real time submission during the</p>

	<p>12<sup>th</sup> AGM held on 8 June 2023. A summary of the nature of questions is as follows:-</p> <ul style="list-style-type: none"> <li>a) E-voucher/ e-wallet/ door gift;</li> <li>b) Business operation and performance;</li> <li>c) Business strategy/ plan;</li> <li>d) Annual Report; and</li> <li>e) Miscellaneous.</li> </ul> <p>For an efficient AGM, most of the pertinent questions posed were responded to during the 12<sup>th</sup> AGM. Nevertheless, all questions posted with the corresponding responses were uploaded on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		



### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The 12<sup>th</sup> AGM of the Company held on 8 June 2023 was conducted virtually via online meeting platform on the TIIH online website, as provided by the Share Registrar, Tricor. The online meeting platform provides shareholders and proxies/authorised representatives the facility to submit proxy forms, participate remotely in the meeting via live streaming, and pose questions through the query box and online poll voting.</p> <p>At the commencement of the 12<sup>th</sup> AGM, the Chairman briefed that every shareholder, proxy, and authorised representative who present virtually at the 12<sup>th</sup> AGM has the right to ask any question and to vote on the proposed resolutions as tabled in the agenda of the 12<sup>th</sup> AGM.</p> <p>A question and answer session was conducted during the 12<sup>th</sup> AGM as a mode of interaction with the shareholders, where the questions submitted by the shareholders prior to the 12<sup>th</sup> AGM and also in real time, together with Management's responses to the questions, were made visible to all meeting participants during the 12<sup>th</sup> AGM, with the Chairman reading out the questions and responses.</p> <p>The complete list of questions posted by the shareholders prior to and during the 12<sup>th</sup> AGM, together with the corresponding responses, was published on the corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a>.</p> <p>Upon reviewing a few proposals from the potential service providers which offer the RPV, the Company decided to engage</p>

	<p>its Share Registrar, Tricor, to facilitate the virtual 12<sup>th</sup> AGM, using the online meeting platform on the TIIH Online website. This decision took into consideration the key features and reliability of the RPV system, scope of services, charges and other terms of engagement offered by Tricor to ensure a smooth broadcast of the AGM and a seamless experience for shareholders.</p> <p>In addition, in selecting the service provider, the Company also took into consideration compliance with the Personal Data Protection Act 2010 and cyber hygiene practices of the RPV system to ensure data privacy and security to prevent cyber threats.</p>	
<b>Explanation for departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>		
<b>Timeframe</b>		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Minutes of the 12 <sup>th</sup> AGM of the Company held on 8 June 2023 detailing the meeting proceedings, including questions raised by the shareholders and responses from the Board, was published on corporate website at <a href="http://www.mrdiy.com">www.mrdiy.com</a> on 7 July 2023.
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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